

August 16, 2022

Ms. Vanessa Countryman
Secretary
Securities and Exchange Commission
1000 F Street NE
Washington, D.C. 20549

Re: Comments on Enhanced Disclosures by Certain Investment Advisers and Investment Companies About Environmental, Social, and Governance Investment Practices
[Release No. 33-11068; 34-94985; File No. S7-17-22]

Dear Ms. Countryman:

On behalf of our members, the American Council of Life Insurers submits these comments regarding the Securities and Exchange Commission (SEC or Commission) proposal to require registered investment advisers, registered investment companies, and business development companies, to provide additional information regarding their environmental, social, and governance (ESG) investment practices.

As investors have expressed increased interest in ESG investing, we understand the SEC's goal to develop disclosures that provide consistent, comparable, and reliable information. We agree with the fundamental goals of the Commission's proposal of mitigating the risk of greenwashing and promoting investor understanding of ESG funds. We also support certain key aspects of the proposal, such as facilitating the ability of investors and the marketplace to distinguish between "ESG" funds and "non-ESG" funds and promoting the comparability of key information about ESG-related investing strategies.

While the investment community could benefit from enhanced disclosure on these items, we have several concerns with the proposal.

- The proposal is overly complex and prescriptive, which departs from the SEC's traditional approach to disclosure requirements.
- Given the complexity of the proposal, this could result in new disclosure requirements that increase investor confusion and/or lead to greenwashing.
- The prescriptive requirements would impose costly burdens on funds without appreciable benefit to fund investors.

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The American Council of Life Insurers (ACLI) is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI's member companies are dedicated to protecting consumers' financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI's 280 member companies represent 95 percent of industry assets in the United States.

ACLI shares several of the concerns expressed in the comments submitted by the Investment Company Institute (ICI) in its letter dated August 16, 2022, specifically those regarding the unintended consequences from the proposal. We encourage the Commission to follow the recommendations of ICI, most notably to extend the compliance period for prospectus disclosure from one year to, at a minimum, two years and for annual report disclosures from 18 months to, at a minimum, three years. Additionally, we echo the recommendations of eliminating required annual shareholder report disclosures regarding proxy voting and engagement and, due to the inconsistent and unreliable nature of Scope 3 emissions data, the required disclosure of the proposed Scope 3 GHG emissions carbon footprint data by industry sector, regardless of whether public companies are required to report Scope 3 GHG emissions data in their regulatory filings.

We appreciate the Commission's efforts to modernize the disclosure process and agree with other commentators that this issue requires a more comprehensive, thoughtful review. We stand ready to answer any questions and thank the Commission for the opportunity to present these comments for your consideration.

Very truly yours,



Patrick Reeder
Deputy General Counsel



Ian Trepanier
Policy Analyst